(c) Apart from the action permissible under the Income-tax law for the realisation of outstanding tax dues, suitable administrative steps are continuously taken to reduce the tax arrears. The action taken varies from case to case. Legal actions include issue of notices for penalty for non-payment, issue of garnishee orders to attach bank accounts, debts, etc. and drawing up of tax recovery statemests by the Tax Recovery Officers to enable them to effect recovery by attachment/sale of assets of the defaulters; in appropriate cases. Payment of tax in instalments has also been allowed in suitable cases. In all these cases, the Assessing Officers are required to send dossier reports indicating the progress in the recovery of taxes and their reports are reviewed at the level of Commissioner of Income-tax and above, depending on the amount in arrears. Since a large part of the demand is disputed in appeals:, etc. steps are also taken for expeditious disposals of appeals.

Assessment of New tax payers

1790. SHRI KAMAL MORARKA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that another seventyy five lacs assessees are being brought within the direct tax net;

(b) if so, what is the method adopted to widen the tax base and identifying new tax payers; and

(c) whether Government would consider some sort of presumptive tax to enable new tax payers to enter the tax net without suffering harassment?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI KAMESHWAR THAKUR): (a) and (b) While there is no specified target of number of new assessees to be brought within the direct tax net, all efforts are being made to iden. tify persons having taxable income who have hitherto not been assessed to tax. For this purpose, surveys under section 133B of the Income-tax Act and verification of information relating to financial transactions are undertaken by the Income-tax Department.

(c) Provision for presumptive tax already exist under several sections of the Income-tax. The question of restructuring the tax system including the presumptive tax system is under cnostant review and such action as is deemed appropriate is taken after such periodic reviews.

Invitation to Foreign Firms for Investment by Karnataka

1791. SHRI H. HANUMANTHAPPA: Will the Minister of FINANCE be pleased to state:

(a) whether Government are in receipt of a request from the State of Karnataka for considering the State as 'Potential area' for investment by International firms;

(b) whether the Foreign Investment Promotion Board has taken note of this request; and

(c) what are the details in this re-gard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) The Chief Minister of Karnataka has written to the Prime Minister that when proposals of internatoinal firms for investment in the country are considered, the locational advantages of Karnataka be kept in view and Foreign Investment ..Promotion Board should be advised accordingly.

(b) and (c) The request of the Chief Minister has been noted.